# PACE: Analysis of Regional Capacity Building Project

**May 19, 2023**

COMMON CAUSE CONSULTANTS

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the team

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CONSULTANTS

# AGENDA

- Background on project
- Overview of outreach
- Major findings
- Recommendations
- Questions & discussion

# 2020 Nonprofit Effectiveness Report



The Health of the Nonprofit Sector in Western Pennsylvania

PACE
BUILDING CAPACITY BUILDING COMMUNITY
A UNITED WAY PARTNER
FOR OVER 50 YEARS

BCT PARTNERS
Your Partner in Solutions that Matter

## Analyzed:

**Organizational Health**

**Community Health and Well-Being**

**Access to Capacity Building Resources**

## Healthy Organizations:

Increase service output by at least 400%

Increase their local scaling by at least 75%

More likely to contribute to community well-being

# PACE'S 2020 NONPROFIT EFFECTIVENESS STUDY REVEALED:

Participating in capacity building has a measurable impact on a nonprofit's overall effectiveness

**11%** of swpa nonprofits have ideal amount of capacity building

## PACE'S 2020 NONPROFIT EFFECTIVENESS STUDY REVEALED:

**Participating in capacity building has a measurable impact on a nonprofit's overall effectiveness**

**Black-led and Black-serving nonprofits have significantly less access to capacity building resources**

## WE ASKED:

**How can PACE intervene to maximally benefit nonprofits across the 10-county region?**
- What resources already exist?
- How can PACE strengthen relationships in and across sectors?

**How do Black-led and Black-serving nonprofits describe their needs?**

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# Research Methodology

# OUTREACH SCOPE

## Surveyed Counties

| | |
|---|---|
| Allegheny County | Greene County |
| Armstrong County | Indiana County |
| Beaver County | Lawrence County |
| Butler County | Regional/Multi-County |
| Cambria County | Washington County |
| Fayette County | Westmoreland County |

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## Stakeholder Types

| | |
|---|---|
| Nonprofits | Funders |
| Higher Ed | Government |
| | Intermediaries |

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Butler County

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Lawrence County

Regional/Multi-County

Washington County

Westmoreland County

## Listening Strategies

Interviews

Focus Groups

## Stakeholder Types

**Nonprofits**

**Higher Ed**

**Funders**

**Government**

**Intermediaries**

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## Overall Engagement Totals

|  | Contacted | Engaged |
| --- | --- | --- |
| Nonprofits | 124 | 14 |
| Higher Ed | 45 | 4 |
| Funders | 30 | 17 |
| Government | 44 | 11 |
| Intermediaries | 116 | 32 |

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# 78 people engaged in total

# WHAT IS AN "INTERMEDIARY?"

Any entity that provides capacity building or technical assistance to nonprofits and/or fiscally sponsored initiatives.

# EXAMPLES OF CAPACITY BUILDING

## Mission, Vision and Strategy

**Strategic Planning**
**Scenario planning**
**Organizational assessment**
**Organizational development**

## Governance and Leadership

**Leadership development**
**Board development**
**Executive transition**

## Resources Development

**Fund development**
**Business planning for revenue-generating activities**

## Internal Operations & Management

**Human resources management and training**
**Financial management**
**Operations**
**Technology and information systems**
**Facility planning**
**Legal issues**
**Volunteer recruitment and management**
**Conflict resolution**

## Program Delivery & Impact

**Program design and development**
**Evaluation**

## Strategic Relationships

**Collaboration and strategic restructuring**
**Marketing and communications**

# What did we hear? Listening Session Themes

# Listening Session Themes

**1** Relationships

**2** Knowledge of Systems

**3** Capacity

**4** Approaches to Funding

**0** Racism / Systemic Inequities

# THEME 0: RACISM AND SYSTEMIC INEQUITIES

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**Black Leaders:**

- **Inadequate funding**
- **Add tremendous value to communities, even with limited capacity**

"For me personally, one thing that I've seen over the years is that a lot of Black-led organizations have settled for less because they didn't know anything but what was always provided, and that part is something that I will not be complacent with accepting, especially when I know the needs that we have." -Nonprofit

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**Non-Black Intermediaries and Funders:**
- **Need help building relationships**

"[W]e don't have a lot of Black led organizations. That is my concern: how do we develop and grow those kinds of organizations to support our community?" - Regional Intermediary

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- Could work together better and more frequently

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"I don't think funders necessarily have a good way of like, engaging with grantees about [capacity building options]... they're not deep enough in relationship because there isn't enough track record or trust. [One thing] I feel like funders can do better is to be more intentional about the trust... not just the like, 'Did you do your deliverables or not?'" - An Intermediary

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"For me, we do have technical assistance in the Pittsburgh region. It's accessing it that is the other issue. So it's there, but do you access it and does it give you exactly what you need? So yes, we have a lot of funders, foundations, other organizations... who offer technical assistance, but it may not exactly be accessible when you need it." - A Nonprofit

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**Intermediaries**

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**Intermediaries**
- Perceive that there aren't enough capacity builders in SWPA

**Funders:**
- Provide grants and diagnose capacity building needs

"We need capacity to build capacity." - Nonprofit

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|---|---|
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| **Funders:** | • Acknowledge power imbalances in grantmaking<br>• Challenged by limited funds |

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**Government:**
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- Want streamlined grant reporting and applications

**Funders:**
- Acknowledge power imbalances in grantmaking
- Challenged by limited funds

**Government:**
- Hampered by bureaucracy

"I do agree wholeheartedly that, particularly in philanthropy, there's insufficient funding set aside for organizational development, aside from program investments. It's just there's not enough there."
- A Funder

# Recommendations for Future Impact

# RECOMMENDATION 2

Conduct a Southwestern Pennsylvania ecosystem assessment every 3-5 years

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# RECOMMENDATION 3

**Leverage PACE's reputation and positioning to develop relationships, especially across sectors**

Create informal space for diverse stakeholders to convene, connect, and ideate together

Convene foundation representatives (ie. program officers) who have the same subject-matter expertise and grantmaking priorities

Offer multiple types of capacity building support that foster collaboration between university personnel, nonprofits, and communities

Seize the changing landscape in SWPA's grantmaking ecosystem

# RECOMMENDATION 4

**Seize the changing landscape in SWPA's grantmaking ecosystem**

Tap into existing networks for potential partnership opportunities (Grantmakers)

Ensure that knowledge is inherited as leadership shifts

Serve as a neutral convener for new groups of stakeholders (especially funders)

Advocate to funders on behalf of Black-led and Black-serving nonprofits:

# RECOMMENDATION 5

Advocate to funders on behalf of Black-led and Black-serving nonprofits:

Focus on flexible dollars

Increase transparency

Streamline grant processes

Expand opportunity to non-501c3s

**RECOMMENDATION 6**

Focus on breaking the cycle of dependency between nonprofits and funders

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# RECOMMENDATION 7

Make connections with community anchors outside of Allegheny County

# RECOMMENDATION 8

Prioritize counties with a large number of Black residents

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Prioritize counties with a large number of Black residents

Assess available funding and capacity building resources

Serve as a central convener

# RECOMMENDATIONS

1 **Continue PACE's Work**

2 **Conduct a Southwestern Pennsylvania ecosystem assessment every 3-5 years**

3 **Leverage PACE's reputation and positioning to develop relationships, especially across sectors**

4 **Seize the changing landscape in SWPA's grantmaking ecosystem**

5 **Advocate to funders on behalf of Black-led and Black-serving nonprofits**

6 **Focus on breaking the cycle of dependency between nonprofits and funders**

7 **Make connections with community anchors outside of Allegheny County**

8 **Prioritize counties with a large number of Black residents**

# REMAINING QUESTIONS

**Intermediaries & Capacity Builders:**

How can PACE maximize existing networks and capacity builders (ie. libraries) that are outside its immediate sphere of influence?

**Funders:**

What is PACE's role in communicating the state of the nonprofit sector to funders? In understanding what they do and why they exist?

**Nonprofits:**

How can PACE support smaller Black-led organizations and non-501c3s in obtaining the support that they need to keep going? Who is helping nonprofits navigate available support options and actively connecting them to capacity building opportunities?
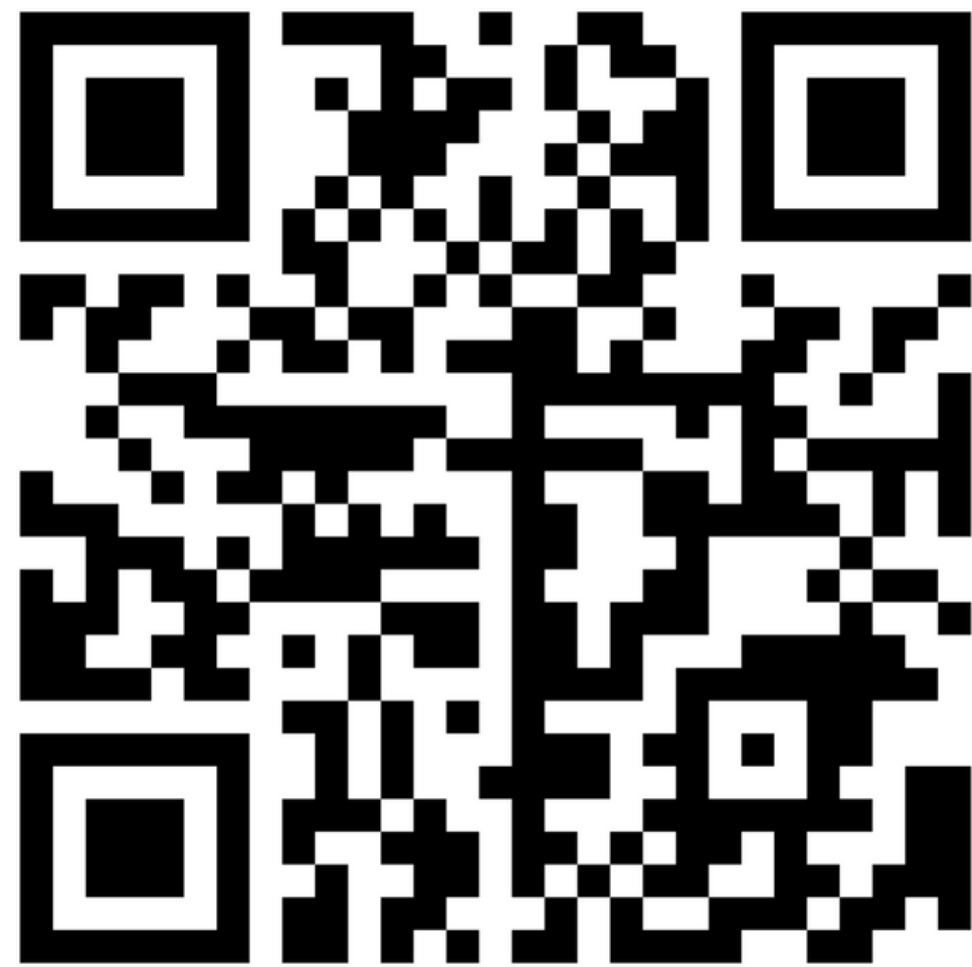
# Questions, Comments?

# THANK YOU!

Please don't hesitate to reach out to us with any additional questions or thoughts!

LaTrenda@Choosec3.com

# Additional Background & Research Methodology Slides

# OUTREACH TOTALS

| | Nonprofits | Intermediaries | Funders | Higher Ed | Govt. |
|---|---|---|---|---|---|
| Allegheny County | 22 | 65 | 24 | 14 | 8 |
| Armstrong County | 3 | 0 | 0 | 4 | 3 |
| Beaver County | 21 | 18 | 1 | 4 | 7 |
| Butler County | 7 | 1 | 0 | 4 | 6 |
| Cambria County | 4 | 1 | 0 | 0 | 0 |
| Fayette County | 10 | 0 | 1 | 0 | 3 |
| Greene County | 0 | 1 | 1 | 2 | 3 |
| Indiana County | 1 | 3 | 0 | 2 | 1 |
| Lawrence County | 5 | 3 | 0 | 0 | 3 |
| Regional/Multi-County | 2 | 3 | 1 | 2 | 0 |
| Washington County | 22 | 5 | 1 | 2 | 3 |
| Westmoreland County | 27 | 16 | 1 | 11 | 7 |
| Total: | 124 | 116 | 30 | 45 | 44 |

**Overall Total: 359 people**

# WHO WE SPOKE WITH

| | Nonprofits | Intermediaries | Funders | Higher Ed | Govt. |
|---|---|---|---|---|---|
| Allegheny County | 10 | 22 | 11 | 2 | 9 |
| Armstrong County | 0 | 0 | 0 | 0 | 0 |
| Beaver County | 0 | 2 | 0 | 1 | 1 |
| Butler County | 0 | 0 | 0 | 0 | 0 |
| Cambria County | 0 | 0 | 0 | 0 | 0 |
| Fayette County | 0 | 0 | 1 | 0 | 0 |
| Greene County | 0 | 0 | 0 | 0 | 0 |
| Indiana County | 0 | 0 | 0 | 0 | 0 |
| Lawrence County | 0 | 0 | 0 | 0 | 0 |
| Regional/Multi-County | 1 | 5 | 4 | 0 | 0 |
| Washington County | 2 | 0 | 0 | 0 | 0 |
| Westmoreland County | 1 | 3 | 1 | 1 | 1 |
| Total: | 14 | 32 | 17 | 4 | 11 |

**Overall Total: 78 people**

# Funders We Engaged:

**17 Total:**

**Benter Foundation** – Kathy Buechel
**Community Fdtn. of Westmoreland County** – McCrae Martino
**Community Fdtn. of Fayette County** – Renee Couser
**EQT Foundation** – Ellen Rossi
f**ormerly Benedum Fdtn** – Jim Denova
**Grable** – Tracey Armant
**Highmark** – Neil Parham
**Hillman Foundation** – Ty Gourley

**McAuley Ministries** – Marisol Valentin
**McCune Foundation** – Laurel Randi
**POISE** – Damion Wilson
**RK Mellon Foundation** – Gabby Gonzalez
**The Heinz Endowments** – Carmen Anderson
**The Opportunity Fund** – Tiffany Wilhelm
**The Pittsburgh Foundation** – Jamillia Kamara
**United Way of Southwest PA** – Alyssa Cholodofsky

# INTERMEDIARY LISTENING SESSION QUESTIONS

## QUESTIONS 1-2

Using Google, find an image or 2+ that illustrate the statement: "this is the problem that our work helps to solve."

Think back to 1-2 positive and 1-2 not so positive times that you supported an organization with capacity building: which organization was it and what was the need? Who diagnosed the need and/or sought support? What did you provide? What was the result?

## QUESTIONS 2-3

To what extent are your resources being used? Why do you think this is the case?

[Venn diagram with nonprofits, funders, and intermediaries] What works well? What could be improved? What's not working?

# Listening Session Totals:

**INTERVIEWS: 29**

**FOCUS GROUPS: 10**

Focus Group Participants: 49 total